LIBRARY
SUPREME COURT, U. S.

Office-Supreme Court, U.S.
FILED
OCT 30 1967
JOHN F. DAVIS, CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1967

No. 775

CHEMICAL CLEANING, INC., JOHN H. RUSCH and GEORGE LEWIS, *Petitioners*

v.

THE DOW CHEMICAL COMPANY, *Respondent*

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

M. TED RAPTES
Attorney for Petitioners
760 Warner Bldg.
Washington, D. C. 20004

PRESS OF BYRON S. ADAMS PRINTING, INC., WASHINGTON, D. C.

SUBJECT INDEX

	Page
Citation of Opinions Below	2
Jurisdiction	2
Questions Presented for Review	3
Constitutional Provisions and Statutes Involved	4
Basis for Federal Jurisdiction of District Court	5
Statement of the Case	5
Reasons for Granting the Writ	10

INDEX TO APPENDIX

Order of Injunction	1a
Conclusions of Law	2a
Judgment Filed Jan. 7, 1966 (District Court)	3a
Opinion (Court of Appeals) June 15, 1967	4a
Denial of Rehearing Petition	9a
Judgment (Court of Appeals)	9a
Minute Entry on Motion To Dismiss (District Court)	10a

TABLE OF CASES

California Artificial Stone Paving Co. v. Molitar, 113 U.S. 609 ..... 7, 9, 12

Graver Tank & Mfg. Co., Inc. v. Linde Air Products Co., 339 U.S. 605 ..... 8, 10

Patton v. Stone, 178 F. 2d 515 ..... 7, 9, 12

Scott Paper Co. v. Marcalus Mfg. Co., Inc., 326 U.S. 249 ..... 8, 12

IN THE

Supreme Court of the United States

OCTOBER TERM, 1967

No.

CHEMICAL CLEANING, INC., JOHN H. RUSCH and GEORGE LEWIS, *Petitioners*

v.

THE DOW CHEMICAL COMPANY, *Respondent*

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

Petitioners, Chemical Cleaning, Inc., et al, pray that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Fifth Circuit, which affirmed the holding of the United States District Court for the Eastern District of Louisiana that petitioners were guilty of contempt.

CITATIONS TO OPINIONS BELOW

The opinion of the Court of Appeals (App., *infra,* p. 4a) is reported at 379 F2d 294, and the Judgment is not reported (App., *infra,* p. 9a). The Order of Injunction issued by the District Court resulting from the original action between the parties (App., *infra,* p. 1a) is not reported. The Conclusions of Law (App., *infra,* p. 2a) and Judgment (App., *infra,* p. 3a) of the District Court on the contempt hearing to show cause are not reported. Judgment of the District Court on Petitioners' Motion to Dismiss the Order to Show Cause is not reported (App., *infra,* p. 10a).

JURISDICTION

The jurisdiction of this Court is invoked under Title 28 USC 1254(1). While review is admittedly discretionary, it is believed that this petition should be granted under Rule 19 of this Court since the Court of Appeals has decided federal questions in a way in conflict with applicable decisions of this Court; has also departed from the accepted and usual course of judicial proceedings; and has furthermore sanctioned such a departure by the District Court, as to call for an exercise of this Court's power of supervision.

The Judgment entered on June 15, 1967 of the Court of Appeals is sought to be reviewed. Petition for Rehearing was denied on July 31, 1967. In addition, the District Court's judgment entered on June 21, 1963 on the Petitioners' Motion to Dismiss is sought to be reviewed. The Motion to Dismiss was presented to the Court of Appeals for review but was not considered by the Court of Appeals in its opinion and judgment.

The statutory provision believed to confer on this court jurisdiction is 35 USC 282 and 283.

QUESTIONS PRESENTED FOR REVIEW

1. In a contempt action for patent infringement in which the accused is estopped from contesting the validity of the patent in suit, is the accused also estopped from asserting his right to use the prior art invention of another expired patent which anticipates the invention of the patent in suit, and is the use of the invention of the expired patent by the accused a complete defense to the contempt action?

2. In a contempt action for patent infringement, is equivalency established between the accused process and that of the patent in suit where only facts are considered that both processes do the same work and accomplish substantially the same result, or does a determination of equivalency require additional facts to be considered, such as the context of the patent, the prior art, the scope of the claims of the patent, etc.?

3. In a contempt action for patent infringement, is the accused permitted to show that he is practicing the process of his own patent, and that his process does not read on the claims of the patent in suit, thereby to establish that the difference between the two processes is not colorable and that a fair ground of doubt exists as to the wrongfulness of his conduct, thereby requiring that the issues be tried, not in a contempt proceeding, but in a real trial of the issues arising on the two patents?

CONSTITUTIONAL PROVISIONS AND STATUTES INVOLVED

This Case involves:

The Due Process Clause of Amendment 5 of the U. S. Constitution which provides in pertinent part:

> * * * nor shall any person * * * be deprived * * * property, without due process of law * * *.

* * * * *

35 USC 282 provides in pertinent part:

> * * * The following shall be defenses in any action involving the validity or infringement of a patent and shall be pleaded:
>
> (1) Noninfringement, absence of liability for infringement, or unenforceability, * * *.

* * * * *

35 USC 283 provides:

> The several courts having jurisdiction of cases under this title may grant injunctions in accordance with principles of equity to prevent the violation of any right secured by patent, on such terms as the court deems reasonable.

* * * * *

28 USC 1254(1) provides:

Courts of appeals; certiorari—

> Cases in the courts of appeals may be reviewed by the Supreme Court by the following methods:
>
> (1) By writ of certiorari granted upon the petition of any party to any civil * * * case * * * after rendition of judgment or decree * * *

BASIS FOR FEDERAL JURISDICTION OF DISTRICT COURT

The jurisdiction of the District Court as a court of first instance is invoked under:

28 USC 1400 provides in pertinent part

Patents—

> * * * (b) Any civil action for patent infringement may be brought in the judicial district where the defendant resides, * * *.

* * * * *

STATEMENT OF THE CASE

The petitioners were found guilty of civil contempt in infringing the respondent's patent No. 2,959,555. The patent claims cover a one-step process using an aqueous acid solution for cleaning and removing incrustations from the inside walls of steam generating boilers. The claims state that the solution also contains one of five specific chemical compounds (urea derivatives), which compounds prevent copper (dissolved in the solution from the incrustations) from being re-deposited on the inside boiler surfaces. As a practical matter, only one of the claimed compounds is used commercially and that is thiourea.

Petitioners were using the process and thiourea of the respondent's patent at about the time the patent issued in November of 1960. Thereafter, petitioners started negotiations with respondent for a license under the patent, and while negotiations were in progress, petitioners were sued for infringement of the patent by respondent on October 26, 1961. Petitioners decided not t contest the infringement suit and entered into a consent decree on December 7, 1961.

Petitioners thereafter began to practice a two-step process for cleaning and removing the incrustations from boiler walls which mainly comprised an alkaline solution. The two-step process is the subject matter of U.S. patent No. 3,000,767 owned by the petitioners. An aspect of this two-step process is one final step of clean-up wherein thiourea is used to keep copper in solution and is somewhat similar to the process step of respondents patent 2,959,555. Accordingly, petitioners were apprehensive, because of the injunction, about the use of thiourea in the clean-up step and another chemical compound was developed, through extensive research, which kept copper in solution. A patent was applied for on the use of the newly developed compound, monomethylolthiourea, in the process and the patent issued to petitioner Chemical Cleaning, Inc. as Patent No. 3,074,825. The U.S. Patent Office was aware of respondents patent 555 and considered it as prior art when it issued petitioners patent 3,074,825.

Respondent filed a contempt action alleging that petitioners' use of their newly-developed compound was a violation of the injunction of the Consent Decree since it infringed the respondents' patent 555. Petitioners denied the allegation. The case was heard in July, 1962, before the District Court but no decision was given by the Court, due to the almost unheard of situation, that the Court Reporter was incompetent and the two days of trial were lost. Although contempt actions should be promptly heard, nothing further transpired until June 16, 1963 when petitioners (uneasy at the delay and failure to reschedule the hearing) filed a Motion To Dismiss the Contempt Action based on legal authorities which held that if

the alleged contemptor's conduct was *not merely colorable* and that a *fair ground of doubt existed,* that the contempt action should be dismissed. *California Artificial Stone Paving Co.* v. *Molitar,* 113, U.S. 609, 618; 5 S. Ct. 618, 622. *Patton* v. *Stone,* 178 F2nd 515. It was argued that since petitioners have a patent 825 on their process and that the patent did not *vis-a-vis* conflict with respondents patent 555, that clearly the alleged contemptuous act was not colorable and a fair ground of doubt existed. The District Court summarily dismissed the Motion To Dismiss with no opinion.

Not until October, 1964 (two years and 3 months after the first hearing) did the District Court hold a re-hearing on the contempt action. The employee expert witness for the respondents and evidence he presented were in almost total disagreement with the petitioners' independent expert witnesses and their evidence as to the facts on the question of whether or not the petitioners' patented compound, monomethylethiourea, was the factual equivalent of respondents' compound thiourea. Arguments were again presented to the District Court that the contempt action should be dismissed and a regular infringement action be instituted to determine the legal rights involved among the patents of petitioners and respondent.

Furthermore, at the hearing the petitioners attempted and were denied entry into evidence an expired patent. The purpose was not to attack validity of the respondent's patent, but for the purpose of establishing that, in the event the District Court held that the use of petitioner's patented compound monomethylolthiourea, was in fact the use of thiourea, then petitioners were following the process of the expired

patent. The expired patent showed the use of thiourea in a cleaning solution for removing incrustations from boiler walls, and, therefore, infringement was avoided in accordance with the concept that anyone is free to practice the teachings of an expired patent. The right to use the teachings of an expired patent are paramount, and is a complete defense to an infringement action where the alleged infringing device is that of the expired patent. *Scott Paper Co.* v. *Marcalus Mfg. Co., Inc.* 326 US 249, 257.

The District Court, on January 7, 1966 (one year and 3 months after the second hearing), entered judgment adjudging petitioners guilty of *willful* civil contempt. No opinion was written by the District Court and it adopted 28 Findings of Fact which respondent presented (although not called for by the Court) with its post-trial brief. No attempt was made by the District Court to explain how it arrived at the conclusion that the contempt was willful in view of the fact petitioners were practicing their own patent and also that the respective experts were in complete disagreement on the facts. The District Court also held that petitioners' solution containing the compound, monomethylolthiourea, was the full equivalent of the solution of the patent in suit since it does the same work and accomplishes the same result as thiourea, citing *Graver Tank & Mfg. Co., Inc.* v. *Linde Air Products Co.,* 1950, 339 US 605, 608, 609. Furthermore, the District Court held that the only question in the contempt proceeding was whether the modified composition is equivalent to the original in relation to the patent in suit. The Court completely ignored the other facts (set forth in detail in petitioners' post-trial brief) necessary to be considered before infringement can be found based

on the *Graver Tank case.* It would appear that the complexity of the chemistry involved in the facts, and the legal principles involved in patent infringement (especially where equivalency is involved) were more than the District Court could cope with.

On the appeal taken to the Court of Appeals, for the purpose of simplifying the issues, only three issues involving error were presented for review, although petitioners disagreed with many of the findings of fact. The first dealt with petitioners' arguments based on *Patton* v. *Stone* and *California Artificial Stone Paving Co., supra,* that the Motion To Dismiss should have been granted. The Court of Appeals in its opinion and decision did not mention this issue, and completely ignored appellants' arguments.

The second issue before the Court of Appeals was that the District Court erred in the application of the law of the Graver Tank Case in finding full equivalence. The Court of Appeals agreed with the District Court that only the factual equivalance (doing the same work, employed in the same way, accomplishing the same result) was necessary to establish the equivalence, and disregarded petitioners' arguments that the equivalency must be determined against the context of the patent, the prior art, etc.

The third issue before the Court of Appeals was that the District Court erred in refusing to permit entry into evidence of an expired patent which could have established that Petitioners had avoided infringement. The Court of Appeals dismissed this issue by garbling it with the issue of equivalence and the Graver Tank case. Possibly feeling that it was an insufficient reason, the Court then enunciated an estoppel against petitioners stating that petitioners should have adduced

the expired patent at the original infringement proceeding. Such a holding was a complete disregard of petitioners' rights since respondent never presented such an estoppel; no inquiry was made to determine whether or not this patent was known to petitioners at the time of the original action; and no antecedent basis was established to invoke the estoppel.

REASONS FOR GRANTING THE WRIT

The petitioners in this case have been shabbily treated by the District Court and the Court of Appeals. Both courts have departed from the accepted course of judicial proceeding in disregarding petitioners' briefs and arguments and rights. Both courts have utterly misapprehended the plain arguments set forth on equivalency, which arguments are based on this court's enunciations in *Graver Tank and Mfg. Co., Inc.* v. *Linde Air Products Co.*, 1950, 339 U.S. 605. The two lower courts have blindly adhered to the concept that *doing the same work, employed in the same way, and accomplishing the same result* establishes equivalency and no other facts are necessary. This is not the case and other facts must be considered as this Court stated in the Graver Tank case:

> *"What constitutes equivalency must be determined against the context of the patent, the prior art, and the particular circumstances of the case.* * * * An important factor is whether persons reasonably skilled in the art would have known of the interchangeability of an ingredient not contained in the patent with one that was. [Emphasis added]

In ignoring petitioners' arguments on the equivalency question, the lower courts have effectively deprived them of the elementary right of a day in court and due

process. In the Graver Tank case, this court indicated guidelines to obtain uniformity in court decisions dealing with equivalency questions on patent infringement. But the decisions of the two lower courts do not follow the guidelines and render uniformity impossible. The courts have applied their own test of equivalency. In this case, the courts would not consider petitioners' arguments with respect to the prior art, the scope of the claims, etc. The District Court would not permit any prior art to be admitted into evidence, and would not even permit reference to petitioners' patent. In view of the restrictions placed on petitioners regarding evidence, the blind disregard of petitioners' arguments, it is wholly unjust to permit the finding of equivalency to stand and thus establish that petitioners are guilty of contempt.

* * * * *

A further circumstance wherein petitioners' rights were denied by the lower courts is the fact that petitioners were not permitted to put into evidence an expired patent. Petitioners wished to avail themselves of every distinct defense as provided by 35 U.S.C. 282(1). They were ready to prove (apart from the question of equivalency) that everything they were doing was taught by the expired patent, and furthermore they were using the process of the expired patent. The District Court refused entry of the expired patent into evidence in spite of petitioners' protestations and arguments that anyone has a right to do exactly what an expired patent discloses. The Court of Appeals when presented with this question completely misapprehended the question and confused it with the equivalency arguments. Furthermore, the Court of Appeals elicited an estoppel against petitioners, by arbitrarily opining that the expired patent should have been ad-

duced at the original infringement proceeding. No inquiry was made as to whether or not this evidence was available to petitioners originally.

The lower Courts' decisions in refusing to permit entry of the expired patent and thereby not permitting petitioners to show that they were practicing the process of the expired patent, are in conflict with the decision of this court in *Scott Paper Co.* v. *Marcalus Mfg. Co., Inc.,* 326 U.S. 249, 257, wherein the court clearly established the principle that even though one is estopped from contesting validity of a patent he is allegedly infringing, he is not estopped from asserting his right to use the prior art invention of another expired patent which anticipates that of the patent in suit, and he has a complete defense to the infringement action where the alleged infringing device is that of the expired patent. The lower courts' denial of the right of presenting this defense was a shocking violation of due process.

This case should never have been tried in a contempt proceeding: Petitioners filed a motion to dismiss (which was denied) in the District Court alleging that since petitioners were granted a patent on the process they were using, that their acts complained of could not possibly be merely colorable and a fair ground of doubt existed as to the contempt. It was carefully pointed out to the court that the petitioners' process did not read on the claims of the respondent's patent. In line with the decision of this court in *California Artificial Stone Paving Co.* v. *Molitar,* 113 U.S. 609, the contempt action should have been dismissed. The Court of Appeals when presented with the question and a decision of the Fifth Circuit (Patton v. Stone, 5th Cir., 1949; 178 F. 2d, 515, 517) almost squarely in

point, did not even bother to respond thereto in its opinion.

It is submitted, that when two patents are in conflict that the proper forum is not in a contempt action but in a real trial of the issues arising on the two patents.

From the facts of this case, it is quite clear that petitioners have been denied their rights of defense and due process. The mere fact that it took almost four years for the District Court to find petitioners guilty of contempt is a denial of petitioners' rights to a speedy trial.

The court is respectfully urged to grant this petition.

Respectfully submitted,

M. TED RAPTES
Attorney for Petitioners
760 Warner Bldg.
Washington, D. C. 20004

APPENDIX

U. S. DISTRICT COURT FOR THE
EASTERN DISTRICT OF LOUISIANA

DOW CHEMICAL CO.

v.

CHEMICAL CLEANING, INC.

Order of Injunction

(Number and title omitted) (Filed: December 7, 1961)

The above-entitled action having been brought by The Dow Chemical Company for infringements by Chemical Cleaning, Inc., John H. Rusch and George Lewis of United States Letters Patent 2,959,555 and the following having been stipulated and agreed by and between the parties hereto, by their respective counsel,

IT IS ORDERED, ADJUDGED AND DECREED:

1. That this court has jurisdiciton over the parties hereto and the subject matter hereof.

2. That United States Letters Patent 2,959,555, issued November 8, 1960, is valid; and that plaintiff, The Dow Chemical Company, is the lawful owner of the entire right, title and interest in and to said Letters Patent and the inventions thereof and has been such owner thereof since its date of issuance.

3. That defendants, Chemical Cleaning, Inc., John H. Rusch and George Lewis, have infringed said Letters Patent 2,959,555 by using or causing to be used methods of said Letters Patent and by making, causing to be made, using or causing to be used, selling or causing to be sold products of said Letters Patent.

4. That as a result of said infringements by Chemical Cleaning, Inc., John H. Rusch and George Lewis of said Letters Patent, plaintiff, The Dow Chemical Company, has incurred, since the date of issuance of said Letters Patent, damages according to law.

5. That a Writ of Injunction issue out of and under the seal of this court directed to defendants, Chemical Cleaning, Inc., John H. Rusch and George Lewis, their officers, agents, servants, attorneys, employees, associates and privies and those persons in active concert and participation with them, enjoining and restricting them and each of them from directly or indirectly infringing United States Letters Patent 2,959,555 and from offering or advertising so to do, and from aiding or abetting in any way contributing to the infringement of any of the claims of said Letters Patent.

6. In lieu of an accounting, counsel for the respective parties have agreed upon damages, the payment and receipt of which is acknowledged.

s/ J. SKELLY WRIGHT
United States District Judge

DATED: December 7th, 1961

Conclusions of Law

1. This Court has statutory authority to grant relief and to award damages, costs, attorneys' fees and expenses, against defendants, for violation of an injunction in a patent infringement case. 35 U.S.C., §§ 283, 284 and 285.

2. In a contempt proceeding for violation of an injunction against infringement, the question is whether the modified composition is equivalent to the original in relation to the patent in the suit. *Patton* v. *Stone,* (5th Cir., 1949), 178 F. 2d 515, 517; *E-I-M- Co.* v. *Philadelphia Gear Works* (5th Cir., 1955), 223 F. 2d 36, 40.

3. The validity of the plaintiff's patent 2,959,555 has been determined between the parties and such issues are res judicata.

4. The modified solution employed by the defendants in their boiler cleaning operations is fully equivalent to the original adjudicated solution in relation to the patent in suit, and does the same work and accomplishes substantially the same result as thiourea. *Graver Tank & Mfg. Co. Inc.* v. *Linde Air Products Co.*, 1950, 339 U.S. 605, 608, 609, 70 S. Ct. 854, 94 L. Ed. 1097.

5 The use of Sequestrol 60 by defendants violated the injunction and constituted infringement of plaintiff's Patent No 2,959,555.

6. Defendants knowingly and wilfully violated the injunction order of December 7, 1961, and are guilty of civil contempt.

New Orleans, Louisiana, December 30, 1965.

s/ HERBERT W. CHRISTENBERRY
United States District Judge

Judgment

(Number and title omitted) (Filed: January 7, 1966)

In accordance with the Findings of Fact and Conclusions of Law made and entered this date, the Court now makes and enters the following Judgment:

It is, for cause shown, ORDERED, ADJUDGED AND DECREED that the said defendants CHEMICAL CLEANING, INC., a corporation, JOHN H. RUSCH, individually, and GEORGE LEWIS, individually, are guilty of wilful civil contempt of this Court for having failed and refused to obey its Final Judgment and Injunction of December 7, 1961.

1. That defendants purge themselves of their contempt of this Court by taking the following action:

(a) Fully comply with all of the provisions of the Court's Final Judgment and Injunction of December 7, 1961;

(b) That defendants cease and desist from making, using, selling or offering for sale, in any manner whatsoever, said Sequestrol 60, and any other solution substantially equivalent thereto or in any manner whatsoever embodying the inventions disclosed and claimed in said Letters Patent No. 2,959,555, or from infringing upon said patents in any other way, for the respective life of said patent.

(c) That defendants pay to plaintiff general damages in the sum of $1,000.00, together with all costs of this prosecution.

New Orleans, Louisiana, December 30, 1965.

s/ HERBERT W. CHRISTENBERRY
United States District Judge

IN THE UNITED STATES COURT OF APPEALS
FOR THE FIFTH CIRCUIT

No. 23498

CHEMICAL CLEANING, INC., JOHN H. RUSCH and GEORGE LEWIS, *Appellants-Appellees,*

v.

THE DOW CHEMICAL COMPANY, *Appellee-Appellant.*

(And Reverse Title)

Appeals from the United States District Court for the Eastern District of Louisiana.

(June 15, 1967)

Before HUTCHESON, GEWIN and DYER, Circuit Judges.

HUTCHESON, Circuit Judge: This appeal is from a judgment of the district court holding Chemical Cleaning, Inc. (CCI) guilty of civil contempt in that it knowingly and will-

fully violated an order which had enjoined it from further infringing a patent held by Dow Chemical. We affirm on the issue of contempt, but remand for a hearing on the issue of damages and costs.

On November 8, 1960, Dow obtained Patent No. 2,959,555 (hereafter Patent 555) which claims a chemical process to be used in the cleaning of industrial steam generating boilers. Such boilers accumulate on their metal sides incrustations of copper and iron oxide. The cleaning of the boilers involves the periodic removal of the incrustations. The cleaning job is made difficult by the fact that the copper, once removed, has a tendency to become redeposited on the metal surfaces before it can be flushed from the boiler. Patent 555 avoids that difficulty by the use of thiourea, a urea derivative, which acts as a sequestering agent to hold the copper within the cleaning solution until the whole solution can be flushed out of the boiler.

CCI also cleans industrial boilers by use of chemicals. Pursuant to a suit brought by Dow against CCI for infringement of Patent 555, the United States District Court for the Eastern District of Louisiana entered an order on December 7, 1961, that Dow's patent was valid and had been infringed in that CCI had employed thiourea in its boiler cleaning operations. An injunction was issued against CCI ordering that it refrain from further infringements of the patent.

CCI then began using another chemical compound, monomethylolthiourea, which it called Sequestrol 60. Dow filed the instant contempt action alleging that the use of the new solution constituted a violation of the injunction since Sequestrol 60 was merely thiourea to which formaldehyde had been added, and which, when used, disassociated to produce significant amounts of thiourea. The court below found that Sequestrol 60 was indeed the equivalent of thiourea and held CCI in civil contempt of the injunction. It is the issue of equivalency which we first consider.

In recognition of the fact that a patent would be virtually worthless if it did not protect against devices which incorporate only unimportant variations of the patented device, the doctrine of equivalents provides that a later-developed device will be regarded as the equivalent of the patented device if, although different in form or shape, it "performs substantially the same function in substantially the same way to obtain the same result." *Sanitary Refrigerator Co.* v. *Winters,* 280 U.S. 30, 42 (1929). In its early development, the doctrine generally was applied in cases involving the equivalence of devices having mechanical components. Today, however, the same principles are applied to compositions where there is equivalence between chemical ingredients. *Graver Mfg. Co.* v. *Linde Co.,* 339 U.S. 605, 609 (1955).

In *Graver,* the Supreme Court spoke to the problem of determining what constitutes equivalency:

> "Consideration must be given to the purpose for which an ingredient is used in a patent, the qualities it has when combined with the other ingredients, and the function which it is intended to perform."
>
> "*A finding of equivalence is a determination of fact.* Proof can be made in any form: through testimony of experts or others versed in the technology by; documents, including texts and treatises; and, of course, by the disclosure of the prior art. Like any other issue of fact, final determination requires a balancing of credibility, persuasiveness and weight of evidence. It is to be decided by the trial court and that court's decision, under general principles of appellate review, should not be disturbed unless clearly erroneous. *Particularly is this so in a field where so much depends upon familiarity with specific scientific problems and principles not usually contained in the general storehouse of knowledge and experience.*" Id, at 609-610. (emphasis added)

The district court sitting without a jury made full and complete findings of fact after considering expert testimony and the results of various experiments offered by both parties. Because there is little dispute as to the correctness of these findings, they need not be repeated in specific detail here. A brief summary will suffice. Sequestrol 60 is prepared by compounding thiourea and formaldehyde under alkaline conditions. The process is reversible, and the trial court found that under the boiler treating conditions employed by CCI, Sequestrol 60 disassociates to produce about 90% by weight of thiourea in the free or uncombined form, and some formaldehyde. The court determined that Sequestrol 60 does the same work, is employed in the same way, and accomplishes the same result as thiourea in functioning as a copper sequestering agent. Sequestrol 60 was held to be the equivalent of the thiourea solution protected by Patent 555. Hence, it was decided that CCI had violated the injunction because it had further infringed Dow's patent by the use of Sequestrol 60; moreover, the violation was considered deliberate and willful.

CCI apparently does not attack the factual findings of the district court, but challenges only the conclusions to be drawn from such findings. CCI contends that the factual finding of equivalency will not support the conclusion of what it terms "legal equivalency" because the court erroneously failed to consider an expired patent, by denying its admission into evidence, which CCI claimed it was practicing. As pointed out in the *Graver* case, however, a finding of equivalency *is* a determination of fact. Furthermore, proof that CCI was practicing an expired patent should have been adduced at the original infringement proceeding. CCI's contentions on this point must be rejected, and we conclude that the district court's finding of equivalency, which is supported by considerable evidence, must be affirmed.

Dow filed a cross-appeal alleging that the district court erred in failing to provide a separate hearing on the issue

of damages and costs, including attorneys' fees, following the decision on the merits. The contempt action was filed by Dow on April 2, 1962, on the basis of CCI's cleaning activities at the Riverbend Station of the Duke Light & Power Company. Due to the failure of a court reporter to transcribe the first hearing, a delay of two years occurred before a recorded hearing was obtained, since the Riverbend cleaning operation was the only contemptuous activity known to Dow at the time this action was filed, Dow alleged damages of only $1,000 which were awarded it by the district court. Dow claims, however, that CCI had committed other contemptuous acts during the two-year period which the court should have considered, but did not, in its award of damages. Dow says no evidence going to prove increased damages was presented in the trial court pursuant to an express agreement between Dow's counsel and the trial court that the issues of liability and damages would be separated. The agreement was as follows:

> "Your Honor, I would like to clarify one thing, if I could. At the previous hearing it was my understanding that we would separate the issues of liability and damages and we would not go into proof of damages at this time. If that is still Your Honor's intention, Plaintiff rests."

"All right", answered the judge. We feel that Dow's counsel was inadvertently lulled into the belief that the issue of damages would be left to be considered separately. Yet damages were awarded without a further hearing for Dow to present its evidence thereon. CCI does not point to any part of the record which shows that this agreement subsequently was altered, nor do we have any reason to believe that it was.

The judgment holding CCI in civil contempt is affirmed. The award of $1,000 is reversed, and the case is remanded for a consideration of an award of damages and attorneys'

fees, if any. In view of this disposition of the case, the motion by Dow to dismiss CCI's appeal is denied.

AFFIRMED IN PART; REVERSED AND REMANDED IN PART.

July 31, 1967

Per Curiam

The petition for rehearing is denied and no member of this panel nor judge in regular active service on the Court having requested that the Court be polled on rehearing en banc, Rule 25(a), subpar. (b), the petition for rehearing en banc is denied.

Judgment

This cause came on to be heard on the transcript of the record from the United States District Court for the Eastern District of Louisiana, and was argued by counsel;

ON CONSIDERATION WHEREOF, It is now here ordered and adjudged by this Court that the judgment of the said District Court in this cause be, and the same is hereby, affirmed in part, and reversed in part, and that this cause be, and the same is hereby remanded to the said District Court;

It is further ordered and adjudged that the appellants-appellees, Chemical Cleaning, Inc., John H. Rusch and George Lewis, be condemned, in solido, to pay the costs of this cause in this Court for which execution may be issued out of the said District Court.

June 15, 1967

Issued as Mandate: Aug. 10, 1967

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

Minute Entry, June 19, 1963, Christenberry, J.

Division A No. 11665
Civil Action

THE DOW CHEMICAL COMPANY

v.

CHEMICAL CLEANING, INC., ET AL.

This cause came on this day for hearing on motion of defendants to dismiss order to show cause and plaintiff's motion for contempt judgment; and motion of defendants to stay request for admissions.

PRESENT: Charles Merriam, Esq.
Attorney for Plaintiff

Ted Raptes, Esq.
Attorney for Defendants

Argument.

IT IS ORDERED that motion of defendants to dismiss order to show cause and plaintiff's motion for contempt judgment be, and the same is hereby, DENIED.

IT IS FURTHER ORDERED that motion of Defendants to stay request for admission be, and the same is hereby, DENIED, and defendants have 20 days to answer requests for admissions.

June 21, 1963

SUPREME COURT. U. S.

Office-Supreme Court, U.S.
FILED
NOV 17 1967
JOHN F. DAVIS, CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1967.

No. 775

CHEMICAL CLEANING, INC., JOHN H. RUSCH and GEORGE LEWIS,

Petitioners,

vs.

THE DOW CHEMICAL COMPANY,

Respondent.

BRIEF IN OPPOSITION TO THE PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT.

CHARLES J. MERRIAM,
WILLIAM A. MARSHALL,
ALLEN H. GERSTEIN,
30 West Monroe Street,
Chicago, Illinois 60603,
Attorneys for Respondent.

Of Counsel:
MERRIAM, MARSHALL, SHAPIRO & KLOSE,
30 West Monroe Street,
Chicago, Illinois 60603,
Area Code 312 - 346-5750.

Date: November 16, 1967.

THE GUNTHORP-WARREN PRINTING COMPANY, CHICAGO

TABLE OF CONTENTS.

	PAGE
Statement of the Case	1
Argument	2
Conclusion	3
Appendix	5

AUTHORITIES CITED.

Cases.

Sears Roebuck & Co. v. Stiffel Co., 376 U. S. 225, 229-30 (1964)	3
Temco Elec. Motor Co. v. Apco Mfg. Co., 275 U. S. 319, 328 (1928)	3

IN THE

Supreme Court of the United States

OCTOBER TERM, 1967.

No. 775.

CHEMICAL CLEANING, INC., JOHN H. RUSCH and GEORGE LEWIS,

Petitioners,

vs.

THE DOW CHEMICAL COMPANY,

Respondent.

BRIEF IN OPPOSITION TO THE PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT.

STATEMENT OF THE CASE.

Although the statement submitted by petitioners (hereafter defendants) includes some obviously argumentative matters, it is an adequate recital of the facts material to the questions presented.

ARGUMENT.

Question Number One:

The question is not properly before the court for the following reasons:

a. The alleged prior art patent is not in the record.

b. The patent was not offered under Rule 43(c).

c. This is a contempt action and the actions of defendants are contemptuous whether the original decree was proper or not. Defendants did not seek to set aside that decree.

Question Number Two:

The district court found, in findings of fact which have never been challenged, that defendants followed the precise steps of the patent in suit. The patent calls for the use of thiourea in the presence of hot acid to remove, and keep removed, copper from the walls of high pressure steam boilers. Without the thiourea the copper which is removed is redeposited.

Defendants employed a compound of thiourea and formaldehyde which decomposes in the presence of hot acid to form thiourea in the amounts called for in the patent in suit. Defendants vigorously denied there was this decomposition but the court in findings 10-19 (R. 434-8) found it to be so. The district court found the use of defendants' product "in fact the use of thiourea" (F. F. 27, R. 441).* Those findings are not challenged. The finding of equivalency of the proceedings is therefore academic, but is likewise based on findings of fact which are unchallenged.

*Defendants did not include the Findings of Fact in the Appendix to their petition. Because of its importance and for the convenience of the Court, Finding of Fact 27 is printed in the Appendix hereto.

Question Number Three:

One does not escape infringement by obtaining a later patent, *Temco Elec. Motor Co.* v. *Apco Mfg. Co.*, 275 U. S. 319, 328 (1928).

Question three is not justified by the record. Defendants did introduce their patent. It was considered and found irrelevant. Defendants' complaint that this amounts to a holding on invalidity is quite unsound. Operation under an improvement patent would always infringe a basic patent. The issuance of a patent does not give the patentee the right to make anything. It merely gives him the right to exclude others from making, using or selling the patented product or process, *Sears Roebuck & Co.* v. *Stiffel Co.*, 376 U. S. 225, 229-30 (1964).

We cannot refrain from commenting on the reckless charges of petitioners that they were "shabbily" treated by the district court and the court of appeals. The finding was of contempt. These reckless allegations highlight the contemptuous attitude of defendants and their counsel.

Conclusion.

No important question of federal law is involved nor is there a conflict with applicable decisions of this Court. The petition for writ of certiorari should be denied.

Respectfully submitted,

CHARLES J. MERRIAM,
WILLIAM A. MARSHALL,
ALLEN H. GERSTEIN,
30 West Monroe Street,
Chicago, Illinois 60603,
Attorneys for Respondent.

Of Counsel:
MERRIAM, MARSHALL, SHAPIRO & KLOSE,
30 West Monroe Street,
Chicago, Illinois 60603,
Area Code 312 - 346-5750.

Date: November 16, 1967.

APPENDIX.

FINDINGS OF FACT.

27. Defendants in their boiler cleaning operations employ a 5% hydrochloric acid solution containing 1-1.2% of Sequestrol 60 to remove iron oxide deposits containing copper components from ferrous metal surfaces. The acid cleaning solution is employed at an elevated temperature of about 160°F. The amounts of Sequestrol 60 employed provides available thiourea. The methylol substitutent of methylol-thiourea is a minor modification of thiourea effected by chemical means. Sequestrol 60 under the aforementioned boiler treating conditions disassociates to produce more than 2 pounds of free thiourea per pound of copper in the oxide deposit. The Sequestrol 60 does the same work, is employed in the same way and accomplishes the same result as thiourea in functioning as a copper sequestering agent. The use of Sequestrol 60 in the aforementioned boiler cleaning operations is in fact the use of thiourea. Accordingly such boiler cleaning operations of defendants fall within the scope of the claims of the United States Letters Patent 2,959,555, and constitute an infringement of the aforementioned United States Letters Patent. This infringement by defendants and each of them is in violation of the December 13, 1961, Writ of Injunction which issued out of this Court, and defendants and each of them are in contempt of said Writ.